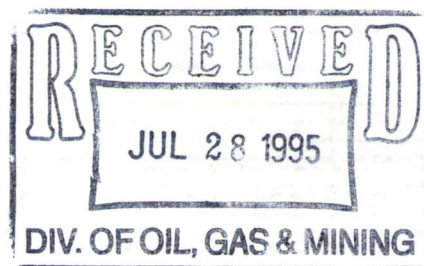


M/027/007



DOGM
MINERALS PROGRAM
FILE COPY

July 25, 1995



Mr. D. Wayne Hedburg, Permit Supervisor
State of Utah, Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: Reclamation Surety, Drum Mine, Millard County, Utah
ACT/027/007, Seaboard Surety Bond #104519, \$264,080

Dear Mr. Hedburg:

With reference to Lowell Braxton's letter to Jumbo Mining Company dated July 10, 1995, it appears that it is time for Western States Minerals Corporation to request a partial surety release. The RECLAMATION ESTIMATE which accompanied that letter contains an "Updated Surety Amount Rounded (2000 \$)" of \$ 124,700 for the portion of the site designated as "WSMC'S PORTION OF ORIGINAL ENTIRE SITE".

WSMC's original bond (referenced above) is still in place in the full original amount of \$264,080 pending resolution of topsoil deficiency. That deficiency has now been resolved and the DOGM estimate accounts for topsoil replacement.

Therefore, WSMC requests a partial surety reduction and bond release in the amount of \$ 98,292. This would leave an amount of \$124,700 in place until such time as the full permit transfer to Jumbo Mining Company is completed.

Your prompt response to this request would be greatly appreciated.

Sincerely,

Allan R. Cerny
Allan R. Cerny
Secretary

Certified Mail No.Z 271 349 171
Return Receipt Requested

cc: Lowell P. Braxton
Lee Foreman
Mike Keller